

Transaction Set 824 - Application Advice

Transaction set (TS) 824 can be used to provide the ability to report the results of an application system's data content edits of transaction sets. The results of editing transaction sets can be reported at the functional group and transaction set level, in either coded or free form format. It is designed to accommodate the business need of reporting the acceptance, rejection, or acceptance with change of any transaction set. The application advice should not be used in place of a transaction set designed as a specific response to another transaction set.

HUD will use TS 824, Application Advice to notify mortgagees/lenders of errors within Application for Mortgage Insurance Benefits (TS 260); Mortgage Loan Default Status (TS 264); and Mortgage Record Change (TS 266).

For HUD, TS 824 will indicate the specific loan default report in error and detail the problem found during the edit of TS 264. Mortgagees/lenders will need to submit a corrected entry for that default case with a corrected TS 264.

TS 824 for TS 264 Outline

The following pages contain the 824 transaction set outline, as defined by the X12 standard version 004010, to be used in relation with TS 264.

824 Application Advice

Functional Group ID=AG

Introduction:

This Draft Standard for Trial Use contains the format and establishes the data contents of the Application Advice Transaction Set (824) for use within the context of an Electronic Data Interchange (EDI) environment. The transaction set can be used to provide the ability to report the results of an application system's data content edits of transaction sets. The results of editing transaction sets can be reported at the functional group and transaction set level, in either coded or free-form format. It is designed to accommodate the business need of reporting the acceptance, rejection or acceptance with change of any transaction set. The Application Advice should not be used in place of a transaction set designed as a specific response to another transaction set (e.g., purchase order acknowledgment sent in response to a purchase order).

Heading:

	<u>Pos. No.</u>	<u>Seg. ID</u>	<u>Name</u>	<u>Req. Des.</u>	<u>Max.Use</u>	<u>Loop Repeat</u>	<u>Notes and Comments</u>
Must Use	010	ST	Transaction Set Header	M	1		
Must Use	020	BGN	Beginning Segment	M	1		
			LOOP ID - N1			>1	
	030	N1	Name	O	1		
Not Used	040	N2	Additional Name Information	O	2		
Not Used	050	N3	Address Information	O	2		
Not Used	060	N4	Geographic Location	O	1		
Not Used	070	REF	Reference Identification	O	12		
Not Used	080	PER	Administrative Communications Contact	O	3		

Summary:

	<u>Pos. No.</u>	<u>Seg. ID</u>	<u>Name</u>	<u>Req. Des.</u>	<u>Max.Use</u>	<u>Loop Repeat</u>	<u>Notes and Comments</u>
			LOOP ID - OTI			>1	
Must Use	010	OTI	Original Transaction Identification	M	1		n1
	020	REF	Reference Identification	O	12		n2
	030	DTM	Date/Time Reference	O	2		n3
Not Used	040	PER	Administrative Communications Contact	O	3		n4
Not Used	050	AMT	Monetary Amount	O	>1		n5
Not Used	060	QTY	Quantity	O	>1		n6
	065	NM1	Individual or Organizational Name	O	9		n7
			LOOP ID - TED			>1	
Not Used	070	TED	Technical Error Description	O	1		
Not Used	080	NTE	Note/Special Instruction	O	100		
Not Used	082	RED	Related Data	O	100		n8
			LOOP ID - LM			>1	
	085	LM	Code Source Information	O	1		n9

			LOOP ID - LQ	100		
Must Use	086	LQ	Industry Code	M	1	
Not Used	087	RED	Related Data	O	100	n10
Must Use	090	SE	Transaction Set Trailer	M	1	

Transaction Set Notes

1. The OTI loop is intended to provide a unique identification of the transaction set that is the subject of this application acknowledgment.
2. The REF segment allows for the provision of secondary reference identification or numbers required to uniquely identify the original transaction set. The primary reference identification or number should be provided in elements OTI02-03.
3. The DTM segment allows for the provision of date, time, or date and time information required to uniquely identify the original transaction set.
4. The PER segment should be utilized if administrative communications contact information is important to the unique identification of the original transaction set.
5. The AMT segment should be utilized if monetary amount information is important to the unique identification of the original transaction set.
6. The QTY segment should be utilized if quantity information is important to the unique identification of the original transaction set.
7. The NM1 segment allows for the provision of entity identification information required to uniquely identify the original transaction set.
8. The RED segment may be used to provide data related to the error condition specified in the associated TED01 element.
9. The LM loop is used to identify industry-based or proprietary application error conditions.
10. The RED segment may be used to provide data related to the error condition specified in the associated LQ02 element.

Data Mapping Guide

The following data mapping guide for TS 824 for TS 264 is based on version 004010 of TS 824 as defined by the X12 standard. The guide presents essential information for each of the segments and the constituent data elements.

Data Mapping Guide
Transaction Set 824
Application Advice

Segment: **ST** Transaction Set Header
Position: 010
Loop:
Level: Heading:
Usage: Mandatory
Max Use: 1
Purpose: To indicate the start of a transaction set and to assign a control number
Syntax Notes:
Semantic Notes: 1 The transaction set identifier (ST01) used by the translation routines of the interchange partners to select the appropriate transaction set definition (e.g., 810 selects the Invoice Transaction Set).
Comments:
Notes: The ST segment is required each time a Transaction Set is sent.

Data Element Summary

	<u>Ref.</u> <u>Des.</u>	<u>Data</u> <u>Element</u>	<u>Name</u>	<u>Attributes</u>
Must Use	ST01	143	Transaction Set Identifier Code Code uniquely identifying a Transaction Set NOTE: The control number is assigned and generated by the HUD's translation software. It should be sequential within the functional group to aid in error recovery and research. The control number in the ST segment (ST02) must be identical to the control number in the SE segment (SE02) for each transaction. 824 Application Advice	M ID 3/3
Must Use	ST02	329	Transaction Set Control Number Identifying control number that must be unique within the transaction set functional group assigned by the originator for a transaction set	M AN 4/9

Segment:	BGN Beginning Segment
Position:	020
Loop:	
Level:	Heading:
Usage:	Mandatory
Max Use:	1
Purpose:	To indicate the beginning of a transaction set
Syntax Notes:	1 If BGN05 is present, then BGN04 is required.
Semantic Notes:	1 BGN02 is the transaction set reference number. 2 BGN03 is the transaction set date. 3 BGN04 is the transaction set time. 4 BGN05 is the transaction set time qualifier. 5 BGN06 is the transaction set reference number of a previously sent transaction affected by the current transaction.
Comments:	
Notes:	The BGN segment is required each time a Transaction Set is sent.

Data Element Summary

	Ref. Des.	Data Element	Name	Attributes
Must Use	BGN01	353	Transaction Set Purpose Code Code identifying purpose of transaction set HUD will send code "00" to identify the first transmission of an application advice to mortgagee in response to a previously sent TS 264 (default status report) from the mortgagee. HUD will send code "41" to identify a "resubmit" TS 824 to mortgagee, if the original TS 824 advice is sent in error, and a corrected transaction is now sent to replace the original TS 824. 00 Original 41 Corrected and Verified	M ID 2/2
Must Use	BGN02	127	Reference Identification Reference information as defined for a particular Transaction Set or as specified by the Reference Identification Qualifier HUD will send "TS264" to indicate this transaction set contains application advice for a TS 264 received previously from the mortgagee.	M AN 1/30
Must Use	BGN03	373	Date Date expressed as CCYYMMDD	M DT 8/8
	BGN04	337	Time Time expressed in 24-hour clock time as follows: HHMM, or HHMMSS, or HHMMSSD, or HHMMSSDD, where H = hours (00-23), M = minutes (00-59), S = integer seconds (00-59) and DD = decimal seconds; decimal seconds are expressed as follows: D = tenths (0-9) and DD = hundredths (00-99)	X TM 4/8
	BGN05	623	Time Code Code identifying the time. In accordance with International Standards Organization standard 8601, time can be specified by a + or - and an indication in hours in relation to Universal Time Coordinate (UTC) time; since + is a restricted character, + and - are substituted by P and M in the codes that follow Refer to 004010 Data Element Dictionary for acceptable code values.	O ID 2/2
	BGN06	127	Reference Identification Reference information as defined for a particular Transaction Set or as specified by the Reference Identification Qualifier	O AN 1/30

BGN07	640	Transaction Type Code	O	ID 2/2
		Code specifying the type of transaction		
		Refer to 004010 Data Element Dictionary for acceptable code values.		
BGN08	306	Action Code	O	ID 1/2
		Code indicating type of action		
		Refer to 004010 Data Element Dictionary for acceptable code values.		
BGN09	786	Security Level Code	O	ID 2/2
		Code indicating the level of confidentiality assigned by the sender to the information following		
		Refer to 004010 Data Element Dictionary for acceptable code values.		

Segment:	N1 Name
Position:	030
Loop:	N1 Optional
Level:	Heading:
Usage:	Optional
Max Use:	1
Purpose:	To identify a party by type of organization, name, and code
Syntax Notes:	1 At least one of N102 or N103 is required. 2 If either N103 or N104 is present, then the other is required.
Semantic Notes:	
Comments:	1 This segment, used alone, provides the most efficient method of providing organizational identification. To obtain this efficiency the "ID Code" (N104) must provide a key to the table maintained by the transaction processing party. 2 N105 and N106 further define the type of entity in N101.
Notes:	N1 contains the name of the receiving party, who is always the Servicing Mortgagee, along with the 10 digit HUD-assigned Mortgagee number. HUD's application advice to the mortgagees consists of a standard set of 8 data elements, (7 mandatory and 1 optional) referenced in this Data Mapping Guide under the label: Loan Default Notification Data. [M] is used to indicate Mandatory requirement. [O] is used to indicate Optional requirement.

Data Element Summary

Ref.	Data	Name	Attributes
Des.	Element		
Must Use	N101	98 Entity Identifier Code Code identifying an organizational entity, a physical location, property or an individual Loan Default Notification Data: 1. Submitting Organization LV Loan Servicer	M ID 2/3
	N102	93 Name Free-form name	X AN 1/60
	N103	66 Identification Code Qualifier Code designating the system/method of code structure used for Identification Code (67) Loan Default Notification Data: 2. [M] Mortgagee Number (Lender ID) 62 Servicing Mortgagee Number	X ID 1/2
	N104	67 Identification Code Code identifying a party or other code Format: Maximum 10 AN characters, left justified.	X AN 2/80
	N105	706 Entity Relationship Code Code describing entity relationship Refer to 004010 Data Element Dictionary for acceptable code values.	O ID 2/2
	N106	98 Entity Identifier Code Code identifying an organizational entity, a physical location, property or an individual Refer to 004010 Data Element Dictionary for acceptable code values.	O ID 2/3

Segment:	OTI Original Transaction Identification
Position:	010
Loop:	OTI Mandatory
Level:	Summary:
Usage:	Mandatory
Max Use:	1
Purpose:	To identify the edited transaction set and the level at which the results of the edit are reported, and to indicate the accepted, rejected, or accepted-with-change edit result
Syntax Notes:	1 If OTI09 is present, then OTI08 is required.
Semantic Notes:	1 OTI03 is the primary reference identification or number used to uniquely identify the original transaction set. 2 OTI06 is the group date. 3 OTI07 is the group time. 4 If OTI11 is present, it will contain the version/release under which the original electronic transaction was translated by the receiver. 5 OTI12 is the purpose of the original transaction set, and is used to assist in its unique identification. 6 OTI13 is the type of the original transaction set, and is used to assist in its unique identification. 7 OTI14 is the application type of the original transaction set, and is used to assist in its unique identification. 8 OTI15 is the type of action indicated or requested by the original transaction set, and is used to assist in its unique identification. 9 OTI16 is the action requested by the original transaction set, and is used to assist in its unique identification. 10 OTI17 is the status reason of the original transaction set, and is used to assist in its unique identification.
Comments:	1 OTI02 contains the qualifier identifying the business transaction from the original business application, and OTI03 will contain the original business application identification. 2 If used, OTI04 through OTI08 will contain values from the original electronic functional group generated by the sender. 3 If used, OTI09 through OTI10 will contain values from the original electronic transaction set generated by the sender.

Data Element Summary

	<u>Ref.</u> <u>Des.</u>	<u>Data</u> <u>Element</u>	<u>Name</u>	<u>Attributes</u>
Must Use	OTI01	110	Application Acknowledgment Code Code indicating the application system edit results of the business data HUD will send code "BP" in every iteration of Loop OTI, each of which contains an application advice for a single FHA loan reported previously by mortgagee in TS 264. BP Batch Partial Accept/Reject	M ID 1/2
Must Use	OTI02	128	Reference Identification Qualifier Code qualifying the Reference Identification Loan Default Notification Data: 3. FHA Case Number Z8 Federal Housing Administration Case Number The unique loan number assigned by the Federal Housing Administration (FHA) to each FHA loan	M ID 2/3

Must Use	OTI03	127	Reference Identification	M	AN 1/30
			Reference information as defined for a particular Transaction Set or as specified by the Reference Identification Qualifier		
			Format: Maximum 11 AN characters, left justified. Include hyphen.		
	OTI04	142	Application Sender's Code	O	AN 2/15
			Code identifying party sending transmission; codes agreed to by trading partners		
	OTI05	124	Application Receiver's Code	O	AN 2/15
			Code identifying party receiving transmission. Codes agreed to by trading partners		
	OTI06	373	Date	O	DT 8/8
			Date expressed as CCYYMMDD		
	OTI07	337	Time	O	TM 4/8
			Time expressed in 24-hour clock time as follows: HHMM, or HHMMSS, or HHMMSSD, or HHMMSSDD, where H = hours (00-23), M = minutes (00-59), S = integer seconds (00-59) and DD = decimal seconds; decimal seconds are expressed as follows: D = tenths (0-9) and DD = hundredths (00-99)		
	OTI08	28	Group Control Number	X	N0 1/9
			Assigned number originated and maintained by the sender		
	OTI09	329	Transaction Set Control Number	O	AN 4/9
			Identifying control number that must be unique within the transaction set functional group assigned by the originator for a transaction set		
	OTI10	143	Transaction Set Identifier Code	O	ID 3/3
			Code uniquely identifying a Transaction Set		
			Refer to 004010 Data Element Dictionary for acceptable code values.		
	OTI11	480	Version / Release / Industry Identifier Code	O	AN 1/12
			Code indicating the version, release, subrelease, and industry identifier of the EDI standard being used, including the GS and GE segments; if code in DE455 in GS segment is X, then in DE 480 positions 1-3 are the version number; positions 4-6 are the release and subrelease, level of the version; and positions 7-12 are the industry or trade association identifiers (optionally assigned by user); if code in DE455 in GS segment is T, then other formats are allowed		
			Refer to 004010 Data Element Dictionary for acceptable code values.		
	OTI12	353	Transaction Set Purpose Code	O	ID 2/2
			Code identifying purpose of transaction set		
			Refer to 004010 Data Element Dictionary for acceptable code values.		
	OTI13	640	Transaction Type Code	O	ID 2/2
			Code specifying the type of transaction		
			Refer to 004010 Data Element Dictionary for acceptable code values.		
	OTI14	346	Application Type	O	ID 2/2
			Code identifying an application		
			Refer to 004010 Data Element Dictionary for acceptable code values.		
	OTI15	306	Action Code	O	ID 1/2
			Code indicating type of action		
			Refer to 004010 Data Element Dictionary for acceptable code values.		
	OTI16	305	Transaction Handling Code	O	ID 1/2
			Code designating the action to be taken by all parties		
			Refer to 004010 Data Element Dictionary for acceptable code values.		

OTI17**641****Status Reason Code****O****ID 3/3**

Code indicating the status reason

Refer to 004010 Data Element Dictionary for acceptable code values.

Segment:	REF Reference Identification
Position:	020
Loop:	OTI Mandatory
Level:	Summary:
Usage:	Optional
Max Use:	12
Purpose:	To specify identifying information
Syntax Notes:	<ol style="list-style-type: none"> 1 At least one of REF02 or REF03 is required. 2 If either C04003 or C04004 is present, then the other is required. 3 If either C04005 or C04006 is present, then the other is required.
Semantic Notes:	1 REF04 contains data relating to the value cited in REF02.
Comments:	

Data Element Summary				
	<u>Ref.</u> <u>Des.</u>	<u>Data</u> <u>Element</u>	<u>Name</u>	<u>Attributes</u>
Must Use	REF01	128	Reference Identification Qualifier Code qualifying the Reference Identification Loan Default Notification Data: 4. Mortgage Loan Number LD Loan Number	M ID 2/3
	REF02	127	Reference Identification Reference information as defined for a particular Transaction Set or as specified by the Reference Identification Qualifier Format: Maximum 20 AN characters, left justified. Include hyphens, if used.	X AN 1/30
	REF03	352	Description A free-form description to clarify the related data elements and their content	X AN 1/80
	REF04	C040	Reference Identifier To identify one or more reference numbers or identification numbers as specified by the Reference Qualifier	O
Must Use	C04001	128	Reference Identification Qualifier Code qualifying the Reference Identification Refer to 004010 Data Element Dictionary for acceptable code values.	M ID 2/3
Must Use	C04002	127	Reference Identification Reference information as defined for a particular Transaction Set or as specified by the Reference Identification Qualifier	M AN 1/30
	C04003	128	Reference Identification Qualifier Code qualifying the Reference Identification Refer to 004010 Data Element Dictionary for acceptable code values.	X ID 2/3
	C04004	127	Reference Identification Reference information as defined for a particular Transaction Set or as specified by the Reference Identification Qualifier	X AN 1/30
	C04005	128	Reference Identification Qualifier Code qualifying the Reference Identification Refer to 004010 Data Element Dictionary for acceptable code values.	X ID 2/3
	C04006	127	Reference Identification Reference information as defined for a particular Transaction Set or as specified by the Reference Identification Qualifier	X AN 1/30

Segment:	DTM Date/Time Reference
Position:	030
Loop:	OTI Mandatory
Level:	Summary:
Usage:	Optional
Max Use:	2
Purpose:	To specify pertinent dates and times
Syntax Notes:	<ol style="list-style-type: none"> 1 At least one of DTM02 DTM03 or DTM05 is required. 2 If DTM04 is present, then DTM03 is required. 3 If either DTM05 or DTM06 is present, then the other is required.
Semantic Notes:	
Comments:	
Notes:	The DTM segment provides the month ending date.

Data Element Summary				
	<u>Ref.</u> <u>Des.</u>	<u>Data</u> <u>Element</u>	<u>Name</u>	<u>Attributes</u>
Must Use	DTM01	374	Date/Time Qualifier Code specifying type of date or time, or both date and time Loan Default Notification Data: 5. Period Ending Date 174 Month Ending	M ID 3/3
	DTM02	373	Date Date expressed as CCYYMMDD	X DT 8/8
	DTM03	337	Time Time expressed in 24-hour clock time as follows: HHMM, or HHMMSS, or HHMMSSD, or HHMMSSDD, where H = hours (00-23), M = minutes (00-59), S = integer seconds (00-59) and DD = decimal seconds; decimal seconds are expressed as follows: D = tenths (0-9) and DD = hundredths (00-99)	X TM 4/8
	DTM04	623	Time Code Code identifying the time. In accordance with International Standards Organization standard 8601, time can be specified by a + or - and an indication in hours in relation to Universal Time Coordinate (UTC) time; since + is a restricted character, + and - are substituted by P and M in the codes that follow Refer to 004010 Data Element Dictionary for acceptable code values.	O ID 2/2
	DTM05	1250	Date Time Period Format Qualifier Code indicating the date format, time format, or date and time format D8 Date Expressed in Format CCYYMMDD	X ID 2/3
	DTM06	1251	Date Time Period Expression of a date, a time, or range of dates, times or dates and times	X AN 1/35

Segment:	NM1 Individual or Organizational Name
Position:	065
Loop:	OTI Mandatory
Level:	Summary:
Usage:	Optional
Max Use:	9
Purpose:	To supply the full name of an individual or organizational entity
Syntax Notes:	1 If either NM108 or NM109 is present, then the other is required. 2 If NM111 is present, then NM110 is required.
Semantic Notes:	1 NM102 qualifies NM103.
Comments:	1 NM110 and NM111 further define the type of entity in NM101.

Data Element Summary

	Ref.	Data	Name	Attributes
	Des.	Element		
Must Use	NM101	98	Entity Identifier Code Code identifying an organizational entity, a physical location, property or an individual Refer to 004010 Data Element Dictionary for acceptable code values.	M ID 2/3
Must Use	NM102	1065	Entity Type Qualifier Code qualifying the type of entity Refer to 004010 Data Element Dictionary for acceptable code values.	M ID 1/1
	NM103	1035	Name Last or Organization Name Individual last name or organizational name	O AN 1/35
	NM104	1036	Name First Individual first name	O AN 1/25
	NM105	1037	Name Middle Individual middle name or initial	O AN 1/25
	NM106	1038	Name Prefix Prefix to individual name	O AN 1/10
	NM107	1039	Name Suffix Suffix to individual name	O AN 1/10
	NM108	66	Identification Code Qualifier Code designating the system/method of code structure used for Identification Code (67) Refer to 004010 Data Element Dictionary for acceptable code values.	X ID 1/2
	NM109	67	Identification Code Code identifying a party or other code	X AN 2/80
	NM110	706	Entity Relationship Code Code describing entity relationship Refer to 004010 Data Element Dictionary for acceptable code values.	X ID 2/2
	NM111	98	Entity Identifier Code Code identifying an organizational entity, a physical location, property or an individual Refer to 004010 Data Element Dictionary for acceptable code values.	O ID 2/3

Segment: **LM** Code Source Information
Position: 085
Loop: LM Optional
Level: Summary:
Usage: Optional
Max Use: 1
Purpose: To transmit standard code list identification information
Syntax Notes:
Semantic Notes:
Comments: 1 LM02 identifies the applicable industry code list source information.

Data Element Summary

Ref.	Data	Name	Attributes
Des.	Element		
Must Use	LM01	559 Agency Qualifier Code	M ID 2/2
		Code identifying the agency assigning the code values	
		HUD will send code "HU" to identify itself as the party assigning the Notice code. Code values in LQ02, data element 1271 - Industry Code.	
		HU Department of Housing and Urban Development	
	LM02	822 Source Subqualifier	O AN 1/15
		A reference that indicates the table or text maintained by the Source Qualifier	

Segment: **LQ** Industry Code
Position: 086
Loop: LQ Mandatory
Level: Summary:
Usage: Mandatory
Max Use: 1
Purpose: Code to transmit standard industry codes
Syntax Notes: 1 If LQ01 is present, then LQ02 is required.
Semantic Notes:
Comments:
Notes:

HUD will send ONE notice code to mortgagee in each iteration of the LQ segment. The LQ segment may be repeated many times to transmit the entire list of notice codes necessary to advise mortgagees of default cases previously reported to HUD in TS 264.

The order in which notice codes will be sent is as follows: Status notice will be sent first, followed by Reject notice and Advice notice codes.

Data Element Summary

<u>Ref.</u> <u>Des.</u>	<u>Data</u> <u>Element</u>	<u>Name</u>	<u>Attributes</u>
LQ01	1270	Code List Qualifier Code Code identifying a specific industry code list Refer to 004010 Data Element Dictionary for acceptable code values. Reserved for Future Use.	O ID 1/3
LQ02	1271	Industry Code Code indicating a code from a specific industry code list Loan Default Notification Data: 8. [M] Notice Codes. Format: Always 2 AN characters. The first character of the 2-character code in LQ02 identifies the type of notice. Status Notice codes are alpha-numeric and Reject Notice codes begin with an "R". For explanation of numerical loan status codes see Transaction Set 264, SOM segment, pos. 250, Loop 0212, data element SOM01. Status Notice codes: 09 Special Forbearance 10 Partial Claim Started 12 Repayment Plan 13 Paid in Full 15 Preforeclosure Acceptance Plan Available 17 Preforeclosure Sale Closing Plan Accepted 20 Reinstated by Mortgagor Who Retains Ownership w/o LM incentive. 21 Reinstated by Assumptor 22 Servicing Transferred or Sold to Another Mortgagee 24 Government Seizure 25 Cancel Last Code Reported	X AN 1/30

26 Refinance started
28 Modification started
30 Third Party Sale
32 Military Indulgence
3B Pre-Qualification for 601
42 Delinquent
44 Deed-in-Lieu Started
46 Property Conveyed to Insurer
47 Deed-in-Lieu Completed & Conveyed
48 Claim without Conveyance of Title
49 Assignment Completed
68 First Legal Action to Commence Foreclosure
1A Foreclosure Sale Held
1G Eviction Completed
29 Charge-off
31 Probate
34 Natural Disaster
59 Chapter 12 Bankruptcy
65 Chapter 7 Bankruptcy
66 Chapter 11 Bankruptcy
67 Chapter 13 Bankruptcy
69 Bankruptcy Plan Confirmed
73 Property Redeemed
76 Bankruptcy Court Clearance Obtained
77 Foreclosure Deed Recorded
98 Reinstated after Loss Mitigation Intervention
AO Ineligible for Loss Mitigation
AS HUD FC Moratorium

Advice Notice codes:

A1 Property Street Name
A2 Property City Name
A3 Property State Name
A4 Property Zip Code
B1 Submitting Organization
B2 Mortgage Loan Number
B3 Unpaid Balance
B4 Mortgagor Name
B5 Mortgagor SSN
B6 Co-mortgagor Name
B7 Co-mortgagor SSN
C1 Section of the Act (ADP Code)
C2 Occupancy Status Code
C4 Cause of Default Code
D1 First Payment Due Date
D2 Oldest Unpaid Installment Date
D3 Mortgage Status Date
D4 Occupancy Status Date

Reject Notice codes:

R1	Mortgagee Number
R2	FHA Case Number
R3	Invalid Status Code
R4	Invalid Oldest Unpaid Installment Date
R5	Invalid Oldest Unpaid Installment Date Format
R6	Insurance Status

ERROR CODES FOR HUD Default Reporting

Reject Notice Codes - (also known as Fatal or Hard errors). Where one of the following errors is found, no further search is made for additional errors. All processing on that case is stopped, the record is rejected by HUD, and needs to be resubmitted because the Reject notice is the only evidence of the lender's failed attempt to report the loan. *NOTE: The user does not receive a Reject Notice Code when reporting to F42D via FHAC, instead, FHAC will return an error message indicating that the data cannot be processed as entered.*

R1 Servicing Mortgagee: Returned when an incorrect/incomplete ten-digit HUD identification number was reported for the servicing mortgagee (EDI element N104). The mortgagee ID is a key index for the SFDMS database and must be valid. Without a correct HUD identification number for the servicing mortgagee, HUD cannot reference where to send the error report and as a result, an error report will not be sent, and the ENTIRE transmission is rejected.

RECOMMENDATION: Prior to submission of each monthly report, ensure the correct ten-digit ID has been provided.

R2 FHA Case Number: Returned when the FHA Case number is missing or incorrect.

TO PREVENT R2 ERRORS: Prior to submission of each monthly report, ensures that the correct FHA Case number has been provided for each account. Lender should check the case status using FHAC's *Servicing | Lender Query By Case Number* or Neighborhood Watch's *Queries | Case Status* function (NW presents some extracted and some live data. Live data includes: current insurance status, termination type, termination effective date and termination process date). Link to NW available from FHA Connection's Single Family Business page.

TO CORRECT R2 ERRORS: Lender should check the case status using FHAC's *Servicing | Lender Query By Case Number* or Neighborhood Watch's *Queries | Case Status* function (Link to NW available from FHA Connection's Single Family Business page). If the case is terminated in error, servicer should contact Insurance Operations staff. Contact information available at www.hud.gov/offices/hsg/comp/premiums/sfdqrep.cfm

R3 Invalid Status Code: According to ML 06-15, dated June 8, 2006, Mortgagees **must** begin every new delinquency episode by reporting Status Code 42. If the servicer has acquired servicing rights to an account already in default, the new servicer can begin reporting by submitting Status Code 22 if the episode is already open. An R3, coded as ZX-R3 in the EDI TS 824, will be returned when attempting to report a new episode without using a Status Code 42. An R3, coded as ZY-R3 in EDI TS 824, will be returned when a default status code submitted is not a valid HUD default status code per ML 06-15.

Notes: 22 can no longer start an episode, effective 10/01/2009

TO PREVENT R3 ERRORS: When reporting a DDS code other than 42, ensure that the default episode is already open. If multiple events per loan are to be sent in one EDI TS 264, ensure that if the default is not already open, that the 42 is sequenced first. Servicers should check the loan's reported default history in F42D using FHAC's *Delinquent Loan Status Request* page to determine default episode status.

R4 Invalid Oldest Unpaid Installment Date: Correct reporting of the OUI date is imperative, as HUD will calculate the number of months delinquent based on the OUI date and the transaction date (the date the submission is accepted into SFDMS). R4 returned when the oldest unpaid installment reported is:

1. less than the first payment due under the mortgage, or
2. more than 10 years in the past (calculated from the transaction date), or
3. greater than cycle date plus 3 months when reporting the closeout of an episode (default status codes that are grouped in summary codes AR, CT, or NC, per form HUD-92068-A, dated 10/2006, or ML 06-15, Appendix 1), or
4. greater than the cycle date, when reporting a default status code that indicates the delinquency is still open (summary codes AD, AL, AI, AF, or AB), excluding AC and AS.

Notes: R4.2 modified from 4yrs to 10 years and R4.3 and R4.4 added, effective 02/12/2007.

TO PREVENT R4 ERRORS: Ensure that the correct OUI date and correct default status code is entered in the transmission.

For episode closeout (summary codes AR, CT, or NC), it is anticipated that the OUI date would be equal to or no more than 3 months later than the transaction date.

For default status codes falling in summary codes AD, AI, AL, AF, and AB, it is anticipated that the account is delinquent; therefore, the OUI date would be less than the transaction date.

TO CORRECT R4 ERRORS: Compare the OUI and default status code as reported in the transmission to the OUI and default status in the servicing system. Resubmit all default data fields for the rejected loan with corrected information.

R5 Invalid Oldest Unpaid Installment Date Format: Correct reporting of the OUI date is imperative, as HUD will calculate the number of months delinquent based on this date and the transaction date. R5 returned when the oldest unpaid installment reported is:

1. non-numeric (including blank, null, or populated with spaces),
2. not within range 01-12.

Notes: R5 effective 02/12/2007.

R6 Insurance Status: Returned when the A43/SFIS insurance is in either terminated or in claim terminated status, and a contradictory mortgage status code was submitted. For A43/SFIS claim terminated status, a mortgage status code submitted that is not 17, 46, 47, 48, 49 or 25, would result in a reject code R6-(ZX). For A43/SFIS terminated status, a mortgage status code submitted that is not 13, 29, 30, 73 or 25, would result in a reject code R6- (ZY).

TO PREVENT R6 ERRORS: Ensure that any interim status codes (default status codes that neither open or close a default episode) that need to be reported to SFDMS are reported before the A43/SFIS insurance status is changed from active to terminated or claim terminated.

TO CORRECT R6 ERRORS: Report a default status code 17, 46, 47, 48, 49 or 25 for R6-(ZX). Report a default status code 13, 29, 30, 73 or 25 for R6-(ZY).

Notes: R6 effective 08/14/2008.

Segment: **SE** Transaction Set Trailer
Position: 090
Loop:
Level: Summary:
Usage: Mandatory
Max Use: 1
Purpose: To indicate the end of the transaction set and provide the count of the transmitted segments (including the beginning (ST) and ending (SE) segments)
Syntax Notes:
Semantic Notes:
Comments: 1 SE is the last segment of each transaction set.
Notes: The SE segment is required each time a Transaction Set is sent.

Data Element Summary

	<u>Ref.</u> <u>Des.</u>	<u>Data</u> <u>Element</u>	<u>Name</u>	<u>Attributes</u>
Must Use	SE01	96	Number of Included Segments Total number of segments included in a transaction set including ST and SE segments	M N0 1/10
Must Use	SE02	329	Transaction Set Control Number Identifying control number that must be unique within the transaction set functional group assigned by the originator for a transaction set NOTE: The control number is assigned and generated by the HUD's translation software. It should be sequential within the functional group to aid in error recovery and research. The control number in the SE segment (SE02) must be identical to the control number in the ST segment (ST02) for each transaction.	M AN 4/9

Paperless Default Reporting

Changes have occurred as a result of the conversion to EDI, which impact forms and procedures. The changes are as follows:

- A revised form HUD-92068A, dated 6/2006, has replaced the previous HUD-92068A and is available at www.hudclips.org.

Mortgagees utilizing EDI to submit default information will use X12 TS 264, Mortgage Loan Default Status. One or more default cases can be reported in a single TS 264, as shown in the business scenarios and the data mapping guide.

Batch Control and Processing. The electronic communication process will consist of the following:

- The mortgagee, using in-house applications software, creates a TS 264 to report on one or more loans in default, i.e., have had no payments for 30 days (at least one full installment due and unpaid). The TS 264 transmission must be received at HUD by the 5th working day of the month. The default information should be completed without errors, assuming the mortgagee has updated its mortgage loan default form generation software based on the specifications provided by HUD. This information is sent to HUD electronically via the mortgagee's VAN.
- HUD sends a TS 997, Functional Acknowledgment, back to the mortgagee electronically indicating the TS 264 was received.
- HUD processes the contents of the TS 264. If an error is detected for any of the cases within the TS 264, HUD will send an Application Advice, TS 824, to the mortgagee indicating the specific mortgage loan default report in error and detailing the problem.
- If a TS 824 is received, the mortgagee needs to submit a corrected entry for that default case within a corrected transaction set 264.
- The mortgagee continues to submit TS 264 containing mortgagee loan defaults by the 5th working day of every month. When a specific default case is closed, either because an insurance claim is processed or the default is cured, the mortgagee indicates the reason using the proper Status Code (HUD-92068A Section 16a; groups AR, CT, or NC; or ML 06-15 Appendix 1, as appropriate) in the correct location in TS 264.

It is the mortgagee's responsibility to:

- incorporate the specifications provided by HUD into their form generation software.
- generate the TS 264 correctly and transmit it on time.

- monitor their EDI mailbox for HUD-initiated messages, i.e. TS 997 and TS 824.
- respond to TS 824 with timely corrections.

The mortgagee will need to check their mailbox regularly. The TS 997 does not require any processing on the part of the mortgagee; however, TS 824 does. If a TS 824 is received, the mortgagee's EDI software should send a TS 997 to HUD confirming receipt. The mortgagee will use the TS 824 information to correct the loan in error and submit the corrected transaction with the appropriate code in the BGN segment to indicate, "Corrected and verified" as part of a TS 264.